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OF COUNSEL
WILLIAM G. CONLY

July 19, 2007

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Pettit Formation, Reservoir A, METCALF FIELD,
Caddo Parish, Louisiana.

and

Pettit Zone, Reservoir A; Hosston Zone, Reservoir A;
Cotton Valley Zone, Reservoir A; and Haynesville Zone,
Reservoir A; JOHNSON BRANCH FIELD, Caddo
Parish, Louisiana.

Dear Sir:

FOSSIL OPERATING, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Pettit Formation, Reservoir A, in the Metcalf Field, and to the Pettit Zone, Reservoir A; the Hosston Zone, Reservoir A; the Cotton Valley Zone, Reservoir A; and to the Haynesville Zone, Reservoir A; in the Johnson Branch Field, Caddo Parish, Louisiana:

Pettit Formation, Reservoir A,
Metcalf Field

1. To dissolve the unit shown on an attached plat and designated PET RA SUL created for the Pettit Formation, Reservoir A, by Office of Conservation Order No. 813-A-1, effective January 26, 1983.

The Pettit Formation, Reservoir A, in the Metcalf Field, Caddo Parish, Louisiana, was defined in Office of Conservation Order No. 813-A, effective January 29, 1980.

Pettit Zone, Reservoir A,
Hosston Zone, Reservoir A,
Cotton Valley Zone, Reservoir A,
Haynesville Zone, Reservoir A,
Johnson Branch Field,
Caddo Parish, Louisiana

1. To create sixteen (16) additional drilling and production units for the exploration for and production of gas and condensate from the Pettit Zone, Reservoir A, the Hosston Zone, Reservoir A, and the Haynesville Zone, Reservoir A, such units being shown on attached plats and being designated PET RA SUG through PET RA SUV, HOSS RA SUG through HOSS RA SUV, and HA RA SUB through HA RA SUQ.

2. To create thirteen (13) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Zone, Reservoir A, such units being shown on an attached plat and being designated CV RA SUR through CV RA SUDD.

3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.

4. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.

5. To permit applicant to combine downhole production from all of these zones, or from any combination thereof, in the wellbore of any well drilled on the proposed additional units (or on the existing units for the Cotton Valley Formation, Reservoir A, designated CV RA SUG, CV RA SUH and CV RA SUI) in which the interests of all parties in the units as to which production is to be combined downhole are identical.

6. To redefine the Pettet Formation, Reservoir A, in the Johnson Branch Field, INSO FAR AND ONLY INSO FAR as to the sixteen (16) additional units proposed herein for such zone, as that interval encountered between the depths of 5,768 feet and 6,250 feet (electrical log measurements) in the Chesapeake Operating, Inc.--SRLT 29 No. 1 Well, located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

7. To redefine the Hosston Formation, Reservoir A, in the Johnson Branch Field, INSO FAR AND ONLY INSO FAR as to the sixteen (16) additional units proposed herein for such zone, as that interval encountered between the depths of 6,250 feet and 8,535 feet (electrical log measurements) in the Chesapeake Operating, Inc.--SRLT 29 No. 1 Well, located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

8. To redefine the Cotton Valley Zone, Reservoir A, in the Johnson Branch Field, INSO FAR AND ONLY INSO FAR as to the thirteen (13) additional units proposed herein for such zone and as to the existing units designated CV RA SUG, CV RA SUH and CV RA SUI, as that interval encountered between the depths of 8,535 feet and 10,910 feet (electrical log measurements) in the Chesapeake Operating, Inc.--SRLT 29 No. 1 Well, located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

9. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 994-B, effective September 27, 2006, and all applicable Statewide Orders, to the proposed additional units for the Pettet Formation, Reservoir A.

10. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 994-C, effective September 27, 2006, and all applicable Statewide Orders, to the proposed additional units for the Hosston Formation, Reservoir A.

11. To extend, except as in conflict herewith, the provisions of the Office of Conservation Order No. 944-A series of Orders, and all applicable Statewide Orders, to the proposed additional units for the Cotton Valley Formation, Reservoir A.

12. To extend, except as in conflict herewith, to the proposed additional units for the Haynesville Zone, Reservoir A, the definition of the Haynesville Zone, Reservoir A, and the spacing

Honorable James H. Welsh
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Page 3

provisions for such zone as proposed by Chesapeake Operating, Inc., in its application dated May 23, 2007, which is scheduled for public hearing on July 10, 2007, under Docket Nos. 07-718 and 07-719.

13. To discuss such other matters as may be pertinent.

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

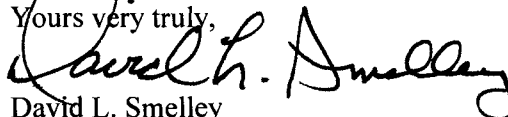
By letter dated July 3, 2007, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set July 26, 2007, as the tentative date for the pre-application conference. While a request for the conference was received within ten (10) days after the date of said letter, the conference request was subsequently withdrawn; therefore, no pre-application conference will be held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of each of the unit plats showing the unit proposed to be dissolved and the units proposed to be created (which are identical to the plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of each of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Johnson Branch Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,



David L. Smelley
Attorney for Fossil Operating, Inc.

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DLS:dp

Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Rick Sepulvado (w/encls.)
Mr. Louis Gilbert (w/encls.)
Ms. Laura M. FitzGerald (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plats only)

FOSSIL OPERATING, INC.

JOHNSON BRANCH FIELD CADDIS PARISH, LOUISIANA

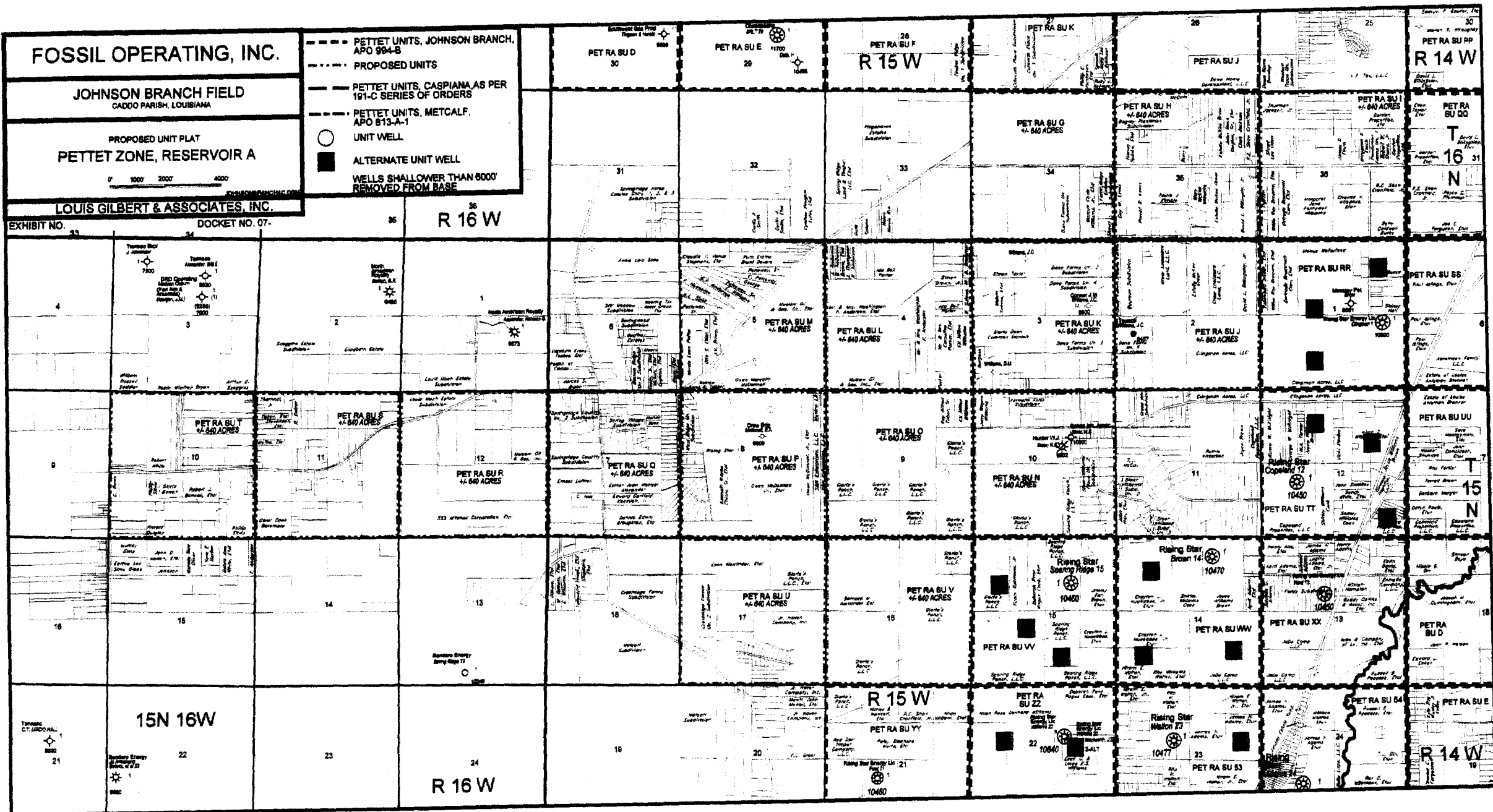
PROPOSED UNIT PLAT PETTET ZONE, RESERVOIR A

0' 1000' 2000' 4000'

LOUIS GILBERT & ASSOCIATES, INC.

EXHIBIT NO. 33 DOCKET NO. 07-

- PETTET UNITS, JOHNSON BRANCH, APO 984-B
- PROPOSED UNITS
- PETTET UNITS, CASPIANA, AS PER 191-C SERIES OF ORDERS
- PETTET UNITS, METCALF, APO 813-A-1
- UNIT WELL
- ALTERNATE UNIT WELL
- WELLS SHALLOWER THAN 8000' REMOVED FROM BASE



FOSSIL OPERATING, INC.

JOHNSON BRANCH FIELD
CADDO PARISH, LOUISIANA

PROPOSED UNIT PLAT
HOSSTON ZONE, RESERVOIR A

0 1000' 2000' 4000'

LOUIS GILBERT & ASSOCIATES, INC.

EXHIBIT NO. 36 DOCKET NO. 07-

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HOSS RA SU E
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HOSS RA SU F
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JOHNSON BRANCH FIELD
CADDO PARISH, LOUISIANA

PROPOSED UNIT PLAT
HOSSTON ZONE, RESERVOIR A

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LOUIS GILBERT & ASSOCIATES, INC.

EXHIBIT NO. DOCKET NO. 07-

HOSSTON UNITS, JOHNSON BRANC
APO 984-C

PROPOSED UNITS

— — — HOSSTON UNITS, CASPIANA, AS PER
191-B SERIES OF ORDERS

UNIT WELL

ALTERNATE UNIT WELL

WELLS SHALLOWER THAN 6000'
REMOVED FROM BASE

R 16 W

15N 16W

R 16 W

R 15 W

R 14 W

T
David J.
Bullington
The
16
N

BIG FISH

Wesley
Shawcross
Donalson
Tux
Rico Fisher
T
Terrell Brown
15
Dorothy Morgan
N
Gail Pank

R-14 W

FOSSIL OPERATING, INC.

JOHNSON BRANCH FIELD CADDOPARISH, LOUISIANA

PROPOSED UNIT PLAT COTTON VALLEY ZONE, RESERVOIR A

0 1000 2000 4000

LOUIS GILBERT & ASSOCIATES, INC.

EXHIBIT NO. DOCKET NO. 07-

- JOHNSON BRANCH CV UNITS, AS PER 994-A SERIES OF ORDERS
- PROPOSED UNITS
- CASPIANA CV UNITS, AS PER 191-A SERIES OF ORDERS
- UNIT WELL
- PROPOSED UNIT WELL
- ALTERNATE UNIT WELL
- WELLS SHALLOWER THAN 5000' REMOVED FROM BASE

